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- DAVID, E. *Die Kupferhüttenindustrie. Ein Beitrag zu dem Problem der industriellen Standortsverteilung.* (Stuttgart: Cotta. 1913. 4.50 M.)
- EBERT, G. *Die Entwicklung der Weissgerberei.* (Leipzig: Deichert. 1913. Pp. 448. 12 M.)
- GROTJAN, A. *Die Entwicklung der Malzfabrikation im neuen Deutschen Reich mit besonderer Berücksichtigung der Provinz Sachsen, ihre Enklaven und ihre Nachbargebiete.* (Berlin: Parey. 1913. Pp. viii, 184. 5 M.)
- KOCHMAN, W. *Deutscher Salpeter. Die Erzeugung von Salpeter aus Ammoniak.* (Berlin: Siemenroth. 1913. Pp. 88. 2 M.)
- SCHWEIKERT, K. *Die Baumwollindustrie Russisch-Polens.* (Zürich: Rascher. 1913. Pp. 382.)
- WEISS, A. *Vorlesungen über Textiltechnik und Textilhandel.* Third edition. (Vienna: Deuticke. 1913. Pp. x, 321. 8 M.)
- Official report of the ninth international cotton congress.* (Manchester, Eng.: Taylor, Garnett, Evans & Co. 1914.)
- Royal commission on the natural resources, trade, and legislation of certain portions of H. M. dominions. Evidence taken in New Zealand in 1913* (7170. 2s.). *Evidence taken in Australia in 1913* (7171, 7172. 5s. 11d.). *Second interim report* (7210. Maps. 1s.). (London: Wyman. 1914.)
- Twenty-seventh annual report on the statistics of manufactures for the year 1912.* (Boston: Mass. Bureau of Statistics. 1914. Pp. xxx, 126.)

### Transportation and Communication

- Outlines of Railway Economics.* By DOUGLAS KNOOP. (London: Macmillan and Company, Ltd. 1913. Pp. vii, 274. \$1.50.)
- American Railroad Economics.* By A. M. SAKOLSKI. (New York: The Macmillan Company. 1913. Pp. xii, 295. \$1.25.)

About one third of Mr. Knoop's book is devoted to an elementary presentation of topics which one would expect to find in a textbook on economics without reference to railways. The other two thirds constitutes an excellent introduction to the study of railway economics viewed as a branch of the general science of economics and not as a study of the construction or operation of railways from the technical or engineering standpoint. The salient principles of rate making, with frequent illustrations from railway practice in England, are clearly set forth without waste of words. The author attempts to explain how the present rate structure has been determined. Considerations of cost in his view

govern the minimum charge and the general level of charges, and, to a small extent, the differences in charges, whereas considerations on the side of demand govern the maximum charge in any particular case and to a large extent the fixing of differential charges. He regards the tendency of commissions to base rates on cost as mistaken, there being "no ascertainable scientific method of allocating the general expenses amongst the units of traffic."

The reviewer would raise the question whether there is not a conflict between the author's position in regard to cost as a basis for rate making and his recognition that under certain conditions a railway may be subject to the law of decreasing returns, to which he devotes a separate chapter. He says:

Just as it may pay to spend more money in cultivating land more intensively in an old country, in order to produce an additional output, even though each additional unit of output is obtained at increasing cost, or subject to decreasing returns; so it may pay to spend more and more money in an old country on improving and on working a given section of line, in order to deal with more traffic, even though each additional unit of traffic is dealt with at increasing cost, or subject to decreasing returns (p. 88).

When an industry has reached the point of increasing costs, must not the reasonable rate be measured by average cost, if we wish to avoid wasteful production? When we begin to feel seriously the limitation of the fixed factor of production, do we not then have to ask whether each unit of traffic is paying for its share of the use of that factor? This view assumes, it is true, that railway services are only to a limited extent joint products in the strict sense that one is a necessary complement of another. In the book before us there is a clear recognition of the distinction between joint products in the strict sense and products which have been produced with the aid of common facilities. The author gives hardly more than a hint of recent activities in railway cost accounting.

In the discussion of state ownership, a question which is coming to the front in England, we find the usual arguments for and against nationalization of railways, with a leaning against the change.

The book of Mr. Sakolski bears the subtitle, "a textbook for students and investors." After a very brief survey of rate theories and rate regulation, the various types of railroad securities are

described. One chapter is devoted to the leading characteristics of the great railroad systems in the United States. Railroad constructions and the maintenance of way, structures and equipment, are commented upon with the object of assisting the investor in determining the condition and prospects of a railroad property. Under the head of traffic statistics are discussed the kinds of statistical data which show the volume and character of the traffic as well as those which are used for measuring operating efficiency, such as the average train-load and car-load. Four chapters deal with the system of accounts prescribed by the Interstate Commerce Commission. The final chapter is on railroad capitalization. The title is somewhat misleading if by railroad economics we understand the study of the relation of railroad transportation to public welfare, but for the subjects treated the author has given us a well-written textbook, very elementary in its treatment and avoiding controverted questions.

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*American Shipping. Its History and Economic Conditions.* By HANS KEILER. Probleme der Weltwirtschaft, 14. (Jena: Verlag von Gustav Fischer. 1913. Pp. xx, 144. 6 M.)

This is volume 14 in the relatively new series entitled "Probleme der Weltwirtschaft," edited by Professor Bernard Harms of the University of Kiel. It is an historical study of the American merchant marine covering the whole period from colonial times down to the present day. There are seven chapters, dealing respectively with colonial conditions; the period of confederation; shipping under protection; reciprocity; decline in the last half century; the coastwise fleet; and our present shipping policy.

The first three chapters are devoid of any special interest for readers on this side of the Atlantic, because they are based, in large part, upon secondary sources which are familiar to all American students of our merchant marine. The fourth chapter, however, which treats of that critical period in our shipping history, extending from 1815 to the Civil War, is worthy of much more consideration. This is due, in part, to the fact that the author has followed more closely the original sources of information, and partly because, without any bias whatsoever, he has given an impartial statement and discussion of conditions as they actually existed under both restricted and complete reciprocity in trade.